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Chat bots: Turning SMS into a next-gen engagement platform

August 25, 2016



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Emerging on the heels of the Facebook F8 Conference, chat bots have remained a hot topic in the media specifically as they relate to Facebook Messenger and applications.

Businesses and consumers alike are captivated by the technology's ability to provide instantaneous, frictionless and personalized customer experiences.

There is no doubt that these platforms will continue to grow as the bot industry kicks into high gear.

However, there is one platform within this communication revolution that has yet to be highlighted: SMS, or text messaging.

Context

Although not the newest communication technology, when SMS is paired with chat bots, we enter the next phase of customer engagement.

Starting as a personal communication tool, text messaging's ease of use and ubiquity has kept it a preferred communication channel over the years: it works on every phone, on every network and nearly every human is a trained user.

In fact, SMS is the most widely used feature on mobile devices, with 97 percent of the United States' adult population using it at least once a day.

Capitalizing on its popularity, businesses have since transformed text messaging into powerful two-way interactions, sending consumers messages about appointment or payment reminders, special offers and shipment details.

Yet, consumers want more than simple notifications and "Txt YES' to confirm" conversations.

Instead of keywords, customers want to be able to engage more naturally by being able to text, "Yes, but only if I can't reschedule on Monday."

This does not mean that consumers are looking for a new communication tool.

In fact, 75 percent of millennial consumers want companies to text them. They simply want to have intelligent, valuable conversations with brands using the channel that they prefer.

So how is this achieved? Chat bots with texting.

It can fly

Chat bots use machine learning and data mining, picking up on keywords to recognize the intent of consumers' questions and provide instant and intelligent responses.

For example, an airline sends a traveler a message that her flight has been delayed. In response, the traveler texts back asking if her gate has also been changed. By recognizing the word "gate," the bot responds with a message similar to: "Hello Linda, I believe you are requesting information about your gate. The gate for flight SEA541 is gate B3."

Not only do chat bots help businesses personally answer large volumes of common questions, they also enable companies to meet consumers' growing preferences to solve problems via messaging versus waiting on hold to talk with a company representative.

If there is one thing that consumers hate, it is being an isolated number in a call queue.

At the forefront of this communication revolution are businesses within the financial services, hospitality and retail industries.

Here are some ways that these industries are strengthening customer experiences using chat bots with text messaging:

Financial service companies are using chat bots to improve mobile banking experiences with onboarding new customers, providing real-time account alerts, making money transfers and enabling better self-service inquiries via text messages

Hotels are using chat bots to expand guest-service options with text messages for Wi-Fi passwords and immediate concierge access for car rentals, restaurant reservation and wake-up calls

Retailers are using chat bots to increase customer loyalty by sending text message appointment or order confirmations, delivery reminders, customer feedback surveys and exclusive offers and allowing customers to engage with them

Today's consumers want personal, relevant and, most importantly, mobile-centric communication.

For example, businesses can text-enable their existing toll-free and landline numbers that consumers are already attempting to text, and then add chat bots to provide the mobile engagement experience customers desire.

TO TAKE full advantage of these technologies, businesses need a digital platform that consumers are already using regularly: text messaging.

With the majority of consumers already using SMS, marketers that integrate chat bots as intelligent assistants can provide consumers with effortless and seamless personal assistance at their fingertips.

Those marketers that rely simply on applications risk missing out on an enormous engagement opportunity and profoundly enhancing consumers' overall experience with a brand.

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